### FISCAL IMPACT STATEMENT ON BILL NO. **S.1379**

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The Honorable Joe E. Brown, Chairman, House Medical, Military, Public and Municipal

Affairs Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: Kenneth Brown, Torina McGee

DATE: May 8, 2006 SBD: 2006214

AUTHOR: Senator Jackson PRIMARY CODE CITE: Concurrent Resolution

SUBJECT: Obesity Study

# ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES: See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES: See Below

#### **BILL SUMMARY:**

The Bill would require the Department of Health and Human Services (DHHS) and the Department of Insurance to jointly undertake a study on the treatment of obesity, including compilation of data on the treatment of obesity through bariatric surgery.

# **EXPLANATION OF IMPACT:**

Enactment would require additional first-year funds totaling \$30,000. Subsequent-years costs would total approximately \$15,000 annually until completion of the study in 2011. Data for this study is currently gathered by the Budget and Control Board's Office of Research and Statistics. DHHS anticipates contracting with the Office of Research and Statistics to use research staff to compile and analyze data pertinent to completion of this study and formulation of recommendations. Federal matching funds would cover 50% of the cost. Therefore, the impact on the General Fund of the State can be estimated at \$15,000 the first year and \$7,500 annually thereafter until 2011. It is assumed General Fund costs would be borne equally between DHHS and the Department of Insurance. The impact on the General Fund would be offset to the extent private funds are generated to help cover costs of the study.

#### LOCAL GOVERNMENT IMPACT:

None.

# **SPECIAL NOTES:**

None.

Approved by:

Don Addy

Assistant Director, Office of State Budget